

AGENDA ITEM SUMMARY

December 12, 2011

Agenda Item No. 3A

Water Allocation-551 Edson Hill Rd (Old Peterson Brook Farm Property)

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Summary: A Water Allocation Application has been received and reviewed by DPW for 551 Edson Hill Road. The Owner/Applicant proposes to demolish the existing 3 bedroom home which is currently served by municipal water and connect a proposed 8 bedroom home and 3 bedroom guest house to the existing service. The Owner/Applicant has accepted our allocation proposal and proposes to pay the required allocation assessment as a lump sum payment by December 30, 2011.

Town Plan Impact: N/A

Fiscal Impact:

Proposed water allocation assessment income: \$11,880

Recommendation:

Move to approve an increase of 1080 GPD of water allocation, for a total water allocation of 1485 GPD for 551 Edson Hill Road, conditioned upon compliance with the terms and conditions outlined in the accepted allocation proposal dated November 23, 2011 and payment of the Water Allocation assessment prior to December 30, 2011.

Agenda Summary

December 12, 2011

Agenda Item No. 3B

County Budget

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Summary: Enclosed is a newspaper article that recently appeared in the Stowe Reporter indicating that the Lamoille County Court house is one of the only courthouses that is either not owned by the State or pays for their operating cost. It also reports that Speaker Smith is going to seek legislative approval to pay for renovations to the Lamoille County Courthouse, which would relieve property tax payers of this burden.

Town Plan Impact: N/A

Fiscal Impact: The Lamoille County Assistant Side Judges have proposed to increase the FY'13 County Budget from \$472,975 to \$535,525, which is a 13.2% increase. Stowe constitutes 51% of the Lamoille County Grand List, so our assessment is anticipated to increase from \$232,171 to \$273,118, an increase of \$40,976. To put this into perspective, Stowe's FY'13 net budget is proposed to increase \$91,497, so 45% of our property tax increase is projected to be attributable to the proposed increase in the County Budget.

Recommendation: Move to approve Chairman Williams to sign the enclosed letter on behalf of the Stowe Selectboard.

**AGENDA SUMMARY**  
**December 12, 2011**

**AGENDA ITEM NO 3C Special Event**

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**Event Summary:**

A. Tour de Snow - January 15, 2012

**Town Plan Impact:** N/A

**Fiscal Impact:** N/A

**Recommendation:** Motion to approve the application(s) as presented.

**AGENDA SUMMARY**  
**December 12, 2011**

Agenda Item 4 - Liquor Consent Item(s)

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Summary:

Gallery Permit – Element 3 dba West Branch Gallery 1/21/12  
2011 License Renewal – Mansfield Inn (Mountain Road Resort)

Town Plan Impact: N/A

Fiscal Impact: N/A

Recommendation: Motion to approve as presented.

AGENDA SUMMARY  
December 12, 2011

AGENDA ITEM NO 5

Public Hearing – Stowe Snowmobile Club Use of Public Highways

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Summary: The Club has submitted their request for use of town highways and bridges for the 2011-12 season which begins in December 12. There are no changes from last season. Member(s) of the Club will be present at your meeting.

Town Plan Impact: N/A

Fiscal Impact: N/A

Recommendation: Please review and take comment at your public hearing and approve accordingly.

## Agenda Summary

December 12, 2011

### Agenda Item No. 6

#### Ice Rink Construction Cost Estimate

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Summary: For the Selectboard's reference, enclosed is a Memorandum from Harry Shepard, Public Works Director, regarding the "Jackson Arena – 2012 Bond Vote" It provides background on how the \$6.5 million dollar cost estimate was arrived at by DEW Construction and why that number is recommended. It also provides additional context to the cost estimates provided below, so that the reader can more fully understand why the cost estimates differ.

Also, enclosed is a copy of a cost estimate prepared by Neagley & Chase Construction for \$5.3 million for the Ad Hoc Committee. The estimate is based on floor plan and sight elevation that is different than has been permitted. They also prepared it without visiting the site and having a full opportunity to understand the site and permit conditions.

Finally, enclosed is an estimate prepared by R.S Woodmansee Builders \$2,574,500 with a cover letter from Edward Frey, Bruce Harmon and Marc Segal. The cover letter states, in part, "Enclosed is a rough estimate prepared by RS Woodmansee Builders...The report is preliminary and requires further discussion and amplification...while not containing the details in the previously submitted estimates of DEW or Neagley & chase Construction Company (e.g. analysis of architect's fees or discrepancy in steel costs), does indicate that a suitable rink can be built for substantially less than the other estimates..."

The Public Works Director's concludes his memo by stating, "Although the N&G estimate appears to be \$1.2M less, upon review, it actually helps affirm the \$6.5 million estimate to be reasonable. The construction cost is only \$0.5M less and most of this difference can be attributed to the fact that they were not cognizant of some of our specific site and permit conditions. The remainder of the difference is lessor soft cost and contingencies which are required for a project requiring a bond vote and public procurement. Little information or supporting documentation was provided with the cost estimate by Woodmansee. In my opinion it is not a reasonable comparison responsive to the permitted program and schematic design, nor it a total project cost estimate. The \$6.5 Million Total Project Cost estimate voted last March was reasonable and prudent for delivery of the permitted program and schematic design..."

Town Plan Impact: Recreation Task #6: Renovate or replace the Jackson Ice Arena to serve as a high quality venue for ice-skating and hockey.

Fiscal Impact: Enclosed is a copy of a twenty year bond amortization schedule for \$6.5 million dollars. The Selectboard has indicated their intent to make the vote contingent on the voters allocating \$350,000 per year to the debt service of the rink. The highest annual bond payment is \$564,103; less \$350,000 leaves a balance of \$214,103 in to be raised in property taxes. One cent raises \$199,295 on the current Grand List. All other things being equal, this would increase the tax rate by .0107 cents (slightly more than a penny.). For every \$100,000 in property value this equates to \$10.70 in property taxes.

It should also be understood that we need to bond a safe and reasonable number to ensure that we are upfront with the voters and try to avoid having to seek further tax appropriations, my recommendation if the project is approved by the voters, is that we take out a bond anticipation note (construction loan) and only bond for the actual cost of the project after. In other words, if we realize cost savings through our competitive bidding and the total project cost ends up being less than \$6.5 million, we would only bond for the actual project cost and the projected property tax increase would decrease to a corresponding degree.

Recommendation: Unless otherwise instructed, staff will bring the enclosed articles to you for your approval as part of the 2012 Annual Meeting warning. The first article ask the voters if they want to approve a \$6.5 million dollar bond limit for a new multi-purpose community events and sports arena and the second makes the approval contingent on the annual allocation of \$350,000 of local option taxes go towards payment of the debt service.

Agenda Summary  
December 12, 2011

Agenda Item No. 7  
FY'13 Capital Budget

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Summary: Enclosed is a capital budget and program for your consideration. The capital budget is for the FY'13 and the program is for the following five years. The capital budget is in good form. However, as indicated in the letter of transmittal, the capital program requires more work before the numbers can be relied on, but do give a representation of pay-as-you-go capital projects actively being considered.

Per the Selectboard's direction, I have kept capital spending at \$539,000 broken down as follows for FY'13:

Cady Hill Land Acquisition (\$288,000): This money is the Town's share of the land acquisition. Also, the Town would construct a parking lot off from Mountain Road. If and when the property is acquired, the land would be turned over to the Town with a conservation easement.

Events Field Improvements (\$230,000): The money is to implement the grading plan and drainage improvements prepared by Grenier Engineering. If approved by the voters, the project would be constructed in 2012 and the fields will not available the entire season.

South Main Street Sidewalk Replacement (\$21,000): The money would be used to replace the pavers from Mac's Market to the Public Safety Building with asphalt. The existing pavers are deteriorating and if the intent of the Board is to replace this section of the sidewalk with an asphalt surface, it makes more sense to resurface it rather than try to repair the existing pavers. It is worth noting that it cost a similar amount for the Town to hire a contractor to repair the pavers on Main Street this summer.

Enclosed is a letter from the Stowe Planning Commission with their comments on the proposed FY'13 capital budget as well as the FY'14 and FY'15 items included in the draft capital program. It states, in part, "The Commission suggest that if possible, the Cady Hill Forest cost be split in half over a two year period. This would allow the MRV Sidewalk Construction to be moved earlier."

Also enclosed is a letter from Heather Furman, SLT Executive Director, stating, "...I understand that the [Planning] Commission has suggested in a letter to the Selectboard that the capital cost of this project be split over a two year period....SLT has carefully negotiated funding-contingent contracts with two separate landowners, with closings scheduled for May 31, 2012. If at that time, the funding contingencies aren't met by SLT, the landowners have the right to walk away from the contracts, and entertain other options for their land...If the Selectboard were to waiver in its support, it would put the entire project in jeopardy. It is critical that the Town's commitment of \$288,000 be made in full to the voters at Town Meeting and not split over two fiscal years."

Town Plan Impact: N/A

Fiscal Impact: N/A

Recommendation: This time has been set aside for presentation purposes for questions. No action needs to be taken at this time.